



Senate Bill No. 308

Special Act No. 16-21

**AN ACT CONCERNING THE DEVELOPMENT OF
RECOMMENDATIONS FOR A STRANDED RESEARCH AND
DEVELOPMENT TAX CREDIT PROGRAM.**

Be it enacted by the Senate and House of Representatives in General Assembly convened:

Section 1. (*Effective from passage*) (a) The Commissioner of Economic and Community Development shall develop legislative recommendations for the establishment of a program that allows businesses in the state to exchange unused research and development tax credits, allowed pursuant to section 12-217n of the general statutes, for financial assistance in support of capital projects in the state that propose to result in any of the following: (1) Expansion of the scale or scope of the business exchanging such unused tax credits, (2) an increase or retention of employment at such business, or (3) generation of a substantial return to the state economy. Such recommendations may include, but need not be limited to: (A) Proposed requirements for such a capital project to qualify for financial assistance under such program, (B) proposed terms for financial assistance under such program, (C) the maximum amount of unused tax credits that may be exchanged for financial assistance, and (D) an analysis of whether to include in such program a requirement that a capital project be anticipated to generate direct and indirect economic benefits to the state that exceed the amount of unused tax credits proposed to be

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exchanged. The commissioner may consult with the Commissioner of Revenue Services in developing such legislative recommendations.

(b) Not later than January 1, 2017, the Commissioner of Economic and Community Development shall submit such legislative recommendations to the joint standing committees of the General Assembly having cognizance of matters relating to commerce and finance, revenue and bonding, in accordance with the provisions of section 11-4a of the general statutes.

Approved June 7, 2016